

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 577 – SB 1373

March 16, 2015

SUMMARY OF ORIGINAL BILL: Requires county boards of education to submit the names of persons certified to drive school buses to the Department of Safety (DOS) in order to be notified when a certified person's driver license is suspended or revoked; requires county boards of education to suspend or revoke the person's certificate to drive a school bus and inform the person of the revocation; requires child care agencies to submit to DOS the names of persons transporting children in order to be notified when the driver license of a person who transports children is suspended or revoked; upon receiving the notification, the child care agency shall not permit the listed driver to transport children.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$14,100/One-Time
\$41,300/Recurring

SUMMARY OF AMENDMENT (004202): Deletes and rewrites the bill such that the only substantive changes are as follows: (1) substitutes local education authority (LEA) for county board of education, and (2) mandates DOS to add an additional \$20 fee to any person applying for a school bus endorsement on their driver's license.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue - \$64,000/Recurring

**Increase State Expenditures - \$14,100/One-Time
\$41,300/Recurring**

Assumptions for the bill as amended:

- The Department of Education's FY13-14 annual statistical report states the total number of school buses in the state is 8,864. DOS reports a total of 669 daycare buses in operation.
- DOS indicates a database modification is necessary to house driver data submitted by local school districts and child care agencies. The one-time cost to implement the database modification by a vendor is estimated to be \$12,000.

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- DOS reports an additional Clerk 3 position will be required to manage the additional driver data received from multiple sources across the state. The recurring increase in state expenditures for the new position is estimated to be \$41,252 (\$28,944 salary + \$11,108 benefits + \$1,200 other). One-time state expenditures related to the new position is estimated to be \$2,100 (for desktop computer, printer networking, and computer software).
- The total one-time increase in state expenditures is estimated to be \$14,100 (\$12,000 + \$2,100).
- DOS reports a total of 16,000 people currently have a type “S” endorsement. With a five year renewal cycle, 3,200 (16,000 / 5 years) are estimated to renew each year.
- The recurring increase in state revenue is estimated to be \$64,000 (3,200 x \$20 fee).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

/dwl